

# Smart Growth Action Kit



**"I am committed to providing the bricks and mortar to make a difference. We have a plan that will assist 20,000 working families get homes over the next four years."**

Governor James E. McGreevey

**"Government must be a force for change to protect open space, preserve our farmlands, and revitalize our cities, older suburbs and rural centers. This is Smart Growth — saving what we must, growing only where we should, and planning for tomorrow."**

Commissioner Susan Bass Levin  
New Jersey Department of Community Affairs

The Smart Growth Action Kit is an introduction to some of the ways the New Jersey Department of Community Affairs (DCA) and the New Jersey Housing and Mortgage Finance Agency (HMFA) are meeting Governor McGreevey's goal of creating 20,000 homes for working families.

DCA and HMFA offer help to developers, municipalities, consumers and non-profit and for-profit organizations. We have a variety of programs available, from those designed specifically to create affordable housing to those aimed at improving existing communities and downtowns. Every program shares the goals of Smart Growth and works to make each New Jersey community the best it can be.



# Smart Growth Action Kit

## At Home Downtown

### >Revitalizing Traditional Mixed-Use Centers

Remember when your pharmacist lived above his store and you could rent an apartment above the local café? The goal of this program is to revive the mixed-use vitality of New Jersey's downtowns and neighborhood commercial districts. By taking advantage of reduced-rate loans, business owners, non-profit organizations and investors can acquire, refinance, and renovate buildings that offer ground floor commercial opportunities with rental housing overhead. To learn more, contact the New Jersey Housing and Mortgage Finance Agency at 1-800-NJ-HOUSE.

## Balanced Housing

### >Housing for Low- and Moderate-Income Families

Affordable housing opportunities are making a real difference in the lives of people and the health of neighborhoods. The Balanced Housing Neighborhood Preservation Program provides grants and loans to create quality housing that is affordable to low- and moderate-income families and senior citizens. To learn more, contact the New Jersey Department of Community Affairs at (609) 633-6246.

## Brownfields

### >One Call for Brownfields Resources

Once it may have been a factory employing hundreds of people. Now it's just a rusting reminder of your city's industrial past. The Brownfields Program helps municipalities, developers and other interested parties return these under-used or vacant sites to productive use by offering one-stop shopping for state resources and technical assistance on all phases of brownfields redevelopment, from planning to site remediation to marketing. Our inter-agency task force identifies the ways in which state agencies can contribute to the reuse of brownfields and coordinates those efforts in support of local redevelopment plans. To learn more, contact the Office of Smart Growth at (609) 292-3096.

## City Living

### >Bringing Residents Back to our Cities

Making city living an appealing option for a variety of New Jersey residents enhances the economic and social growth of existing neighborhoods. This program will create or rehabilitate market-rate housing in designated urban neighborhoods that offer the benefits of urban living, such as close proximity to employment, shopping and transportation. To learn more, contact the New Jersey Housing and Mortgage Finance Agency at 1-800-NJ-HOUSE.

## Federal Low Income Housing Tax Credits

### >Attracting Private Investments in Affordable Housing

This competitive program annually awards millions of dollars in low-income housing tax credits to members of the development community who commit to producing affordable housing. HMFA assists with the rehabilitation or construction of approximately 20 projects annually and currently oversees more than 380 tax credit developments with more than 21,000 units. To learn more, contact the New Jersey Housing and Mortgage Finance Agency at 1-800-NJ-HOUSE.

## Green Homes

### >Environmentally Sensitive Homes

The goal of Green Homes is to improve the environmental performance, energy efficiency, quality and affordability of housing in New Jersey. Through advocacy, education and technical assistance, Green Homes aims to accelerate the use of innovative green design and building technologies, raise building standards and create consumer demand for efficient, environmentally responsible, high performance homes. To learn more, contact Green Homes at (609) 292-3931.

## Home Buyer Mortgages

### >Making the Dream of Homeownership a Reality

By providing attractive mortgages to first-time homebuyers, this program helps residents enjoy the freedom of having a place of their own, the security of an investment with potentially increasing equity and significant tax benefits. The program also provides mortgages to homebuyers in targeted areas, increasing the appeal of New Jersey's cities and promoting neighborhood revitalization. With down payments of as little as zero percent and 30-year fixed rate loans, people who never thought they could own a home are seeing their dreams come true. Special considerations are given to those people buying homes in Smart Growth areas. To learn more, contact the New Jersey Housing and Mortgage Finance Agency at 1-800-NJ-HOUSE.

## HomeWorks

### >Building Communities Near Work Locations

By working together, state government and local businesses can create communities that meet the needs of employees and employers and adhere to the principles of Smart Growth. Under this program, a state investment will be complimented by employer contributions to create housing near places of employment. Employees will benefit from attractive mortgage rates and employers will profit from having a committed workforce living nearby. To learn more, contact the New Jersey Housing and Mortgage Finance Agency at 1-800-NJ-HOUSE.

## **Housing Opportunity Fund (HOF)**

>Leveraging Local, State and Federal Resources

The Housing Opportunity Fund allows municipalities to build housing in locations that make sense, based on the overall positive impact on the community. The HOF pools dollars from various existing housing programs into a single fund with targeted Smart Growth objectives, allowing us to shift dollars from under-subscribed programs to high-demand programs on a year-to-year basis. To learn more, contact the New Jersey Department of Community Affairs at (609) 292-6212.

## **Main Street New Jersey**

>Downtowns on the Rebound

This program recognizes the unique strengths of traditional, downtown business districts and enables local communities to capitalize on them. By providing selected communities with resources, technical assistance and training for local citizens, we help improve the economy, appearance and image of our central business districts. Communities in the Main Street program have created more than 3,600 new jobs, 650 new businesses and approximately \$84 million in private reinvestment. To learn more, contact the New Jersey Department of Community Affairs at (609) 633-6246.

## **Market Oriented Neighborhood Investment (MONI)**

>Promoting Economic Diversity and Revitalization

Quality communities in New Jersey should include people of all incomes. MONI encourages economic diversity by helping developers and non-profit housing sponsors construct projects that contain a mix of market-rate, moderate-income and low-income units. The program also gives eligible first-time and urban homebuyers access to below-market mortgages. By focusing on homeownership, MONI stabilizes targeted neighborhoods and stimulates economic growth. To learn more, contact the New Jersey Housing and Mortgage Finance Agency at 1-800-NJ-HOUSE.

## **Neighborhood Preservation Program**

>Seed Money Brings Lasting Change

Gone are the days when massive urban renewal projects bulldozed neighborhoods in the name of "progress." A new era recognizes that the preservation of neighborhoods is the soundest investment we can make. Acceptance into the Neighborhood Preservation Program starts a five-year revitalization effort involving residents, municipal government, the private sector and the New Jersey Department of Community Affairs, laying the foundation for a relationship that will last beyond the term of the program. Neighborhoods deemed "threatened but viable" are provided with up to \$525,000 over five years to undertake needed improvements, particularly housing and infrastructure repairs. To learn more, contact the New Jersey Department of Community Affairs at (609) 633-6246.

## **Neighborhood Revitalization State Tax Credits**

>Community-based Neighborhood Planning

The Neighborhood Revitalization Tax Credit Act was signed into law in January 2002. It offers up to \$10 million in neighborhood revitalization tax credits in any fiscal year and is intended to provide community-based organizations with flexible resources to implement activities through a strategic planning process. The program fosters an ongoing partnership between private corporations and community-based development organizations. To learn more, contact the New Jersey Department of Community Affairs at (609) 633-6286.

## **Redevelopment Area Bond Financing Law and Revenue Allocation District Financing Act**

>Financial Resources to Rebuild our Cities and Towns

It is easy to recognize when an area needs to be redeveloped, but finding the funds for this work is much harder. These recently adopted pieces of legislation (often referred to as Tax Increment Financing) allow a municipality that has, in accordance with local law, designated an area in need of redevelopment to issue tax-exempt bonds that would be secured by payments in lieu of taxes and/or special assessments on property benefiting from the improvements provided. By taking advantage of new financing mechanisms and favorable interest rates, municipalities will be able to fund a variety of redevelopment projects including land acquisition, demolition, renovation and construction. To learn more, contact the New Jersey Department of Community Affairs at (609) 292-7842.

## **Rehabilitation Subcode**

>New Life for Old Buildings

Modern building codes have long posed an obstacle to urban revitalization. With New Jersey's pioneering "rehab code," we're no longer punishing older buildings for being different and concentrating instead on making them safe. This flexible, common sense approach helped spark a dramatic rise in rehabilitation work in New Jersey's largest cities. The code's significance was nationally recognized in 1999 when it won the Innovations in American Government Award, one of the most prestigious public service awards in the nation. To learn more, contact the New Jersey Department of Community Affairs, Division of Codes and Standards, at (609) 984-7609.

## Section 8 to Homeownership

### >Helping Section 8 Participants Buy Homes

This program was created to assist participants in the New Jersey Department of Community Affairs Section 8 Housing Choice Voucher Program to utilize their subsidies to purchase a home. Participants who are first-time homebuyers are given vouchers to assist with monthly homeownership expenses. They also can receive housing counseling and referrals for financial and community assistance. To learn more, contact the New Jersey Department of Community Affairs at (609) 292-4080.

## Smart Growth Planning Grants

### >Technical and Planning Assistance

Smart Growth Planning Grants provide money for municipalities, counties and regional organizations to develop plans that lead to Smart Growth and more livable and stable communities. Applications should promote comprehensive planning that focuses on redevelopment sensitive to local community needs, promotes efficient investment in the use of public infrastructure, provides for affordable housing, preserves farmland and protects environmental, natural, cultural and historic resources. Smart Growth Planning Grants are designed to promote the principles of Smart Growth and help keep property tax rates stable by providing state money and professional advice at no extra cost to the county or municipality. To learn more, contact the Office of Smart Growth at (609) 292-7156.

## Special Improvement Districts

### >Uniting Downtown Business Interests

To compete with today's contemporary shopping options, traditional downtowns need to market and manage themselves as modern shopping centers. This program makes that possible by introducing a dependable source of funding for downtown improvements and professional management to the commercial business district. Downtown property owners and merchants form a local management association with the authority to collect assessments of its members and set management strategies. This innovative program can support almost any type of service or improvement such as new sidewalks, building facade improvements, security, special events, marketing, promotion and more. These districts are created by municipal ordinance and are managed locally with ongoing technical assistance provided by DCA. To learn more, contact the New Jersey Department of Community Affairs at (609) 633-6286.